

INCOMING TELEGRAM *Department of State*

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TO RUEHC/SECSTATE WASHDC 3724

INFO RUEHCR/AMEMBASSY LUSAKA 327

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USIA

NSC DEPT 4568

INFO

1. ECONMIN CONVEYED SUBSTANCE REFTTEL TO NIELD, WHO SAID HE COULD NOT THANK US ENOUGH FOR SUCH PROMPT AND USEFUL RESPONSE ON A CRUCIAL MATTER.

INFO

2. NIELD WENT ON TO SAY THAT VERNON HAD REPORTED FROM LUSAKA THAT AS FEBRUARY 15 APPROACHES, PEOPLE ARE REALLY BEGINNING TO CONCENTRATE THEIR MINDS ON PRACTICAL PROBLEMS AND ON TIMING. NIELD REAFFIRMED WHAT HE TOLD SOLOMON ABOUT DATE. HE RECALLED THAT

INT

TRSY

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THE PLANNING FIGURE FOR MONTHLY TRAFFIC INTO ZAMBIA WAS 40,000 TONS, AND HE SAID THIS HAD BEEN SUBJECTED TO CONSIDERABLE RE-EXAMINATION IN LUSAKA, AND A NEW ANALYSIS WAS SHAPING UP. THIS WOULD, IN ADDITION TO THE 12,000 MONTHLY FIGURE FOR PETROLEUM, ADD ANOTHER 10,000 OF PETROLEUM FOR USE IN COPPER SMELTER AT MUFULIRA. CONVERSION THIS SMELTER TO OIL FIRING SHOULD BE COMPLETED IN MONTH OR SIX WEEKS, AND 10,000 TONS POL SHOULD THEREAFTER YIELD SOME 25,000 TONS PER MONTH OF COPPER, WHICH WOULD BE PRODUCTION OVER AND ABOVE WHAT HAD BEEN EXPECTED IF COPPER INDUSTRY WERE TO GO ON STANDBY BASIS.

3. TO THE POL MUST BE ADDED SOME 30,000 TONS OR MORE FOR GENERAL GOODS. TO AVOID SHORTAGES IN ZAMBIA, ACCORDING TO NIELD, AND THIS DOES NOT LEAVE MUCH SCOPE FOR TRANSPORT OF COAL. FURTHERMORE IT MEANS THAT 40,000 TON FIGURE HAS BEEN INCREASED TO SOMEWHERE BETWEEN 55 AND 60,000 AND ZAMBIAN ORGANIZATIONS ARE PRESUMABLY NOW CONSIDERING IMPLICATIONS OF THIS ANALYSIS, AS ARE BRITISH.

4. NIELD SAID THAT HE UNDERSTOOD THAT IF ANGLO-AMERICAN WOULD ALSO CONVERT SOME SMELTING CAPACITY TO OIL FIRING, SOME 10,000 TONS COPPER MONTHLY COULD BE PRODUCED, WITH INPUT OF MORE PETROLEUM.

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-2- 3724 February 8 From London

THIS WOULD APPLY TO RHOKANA WORKS. BRITISH ARE UNDER IMPRESSION,
HOWEVER,
THAT ANGLO-AMERICAN WHICH OWNS WANKIE COLLIERY HAS TAKEN
NO STEPS TOWARDS CONVERSION TO OIL.

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5. NIELD EMPHASIZED THAT ALL OF FOREGOING CONSTITUTE OPINIONS
AND POSSIBILITIES UPON WHICH BRITISH AND ZAMBIANS ARE NOW BROODING.

HE WILL BE IN TOUCH FURTHER WHEN SITUATION CLARIFIED AND WHEN
FURTHER CONSULTATIONS AMONG THEMSELVES AND WITH ZAMBIANS HAVE
TAKEN PLACE. CONCEIVABLY CHANGE OF PROGRAM IN ACCORDANCE WITH
FOREGOING WOULD PUT HEAVY EMPHASIS ON MORE TRUCKS, BOTH FOR
TRANSPORT GENERAL GOODS AND FOR USE ON KANDABWE,
SINCE MORE POL IMPORTED WOULD MEAN LESS COAL, AND GREATER NEED
FOR KANDABWE SUPPLIES.

6. WE SHALL APPRECIATE LUSAKAS COMMENTS, AND WE ASK THAT
NIELDS CONFIDENCE BE RESPECTED.

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